Statement by

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Introduction

Since the financial crisis in 2008 and the ensuing economic crisis, the global economy has been characterized by high risks and uncertainties. There have been unprecedented number and scale of natural disasters, debt distress in some OECD countries, mass uprisings in the Middle East and North Africa (MENA; the Arab Spring). All these have dimmed the prospects for rapid global economic recovery. However, as a result of years of continuous growth, underpinned by strong commitment to reform, Sub-Saharan Africa has exhibited some resilience.

The aforementioned notwithstanding, there are new challenges to the capacity of the Sub-continent to weather the sluggish global recovery. These include the growing uncertainty in the global economy as well as risks associated with the resurgence of food price volatility, acute food insecurity, especially in the Horn of Africa, and rising joblessness among the youth population.

While economic growth has proved to be a necessary condition in our development process and invaluable to our resilience to shocks, the Arab Spring has shown that if growth is not inclusive and broad-based it cannot be sustained. It is in this context that we welcome the agenda set for the Development Committee Meeting - moving jobs to the center stage, stepping up attention to food price volatility and food security and facilitating discussions on the findings of the flagship report on gender equality and development. To this agenda, we would add the need for addressing the capacity limitations prevalent in our countries and increased financing for development to ensure inclusive and transformative growth.

Moving Jobs to the Center Stage

Strategic and operational focus on job creation ranks on top of the current global priorities as social development and employment are intertwined and this can hardly be overemphasized. The recent socio-political upheaval in the MENA region, the violent mass outbursts in several developed countries and the poverty-induced frustration in many Sub-Saharan African countries are to a significant degree attributed to lack of employment and related sustainable income generating activities. In virtually all countries in our Constituency there is an urgent and overwhelming demand for job creation accompanied by increased job security, especially among the youth and women. These challenges are particularly acute in conflict and post-conflict countries, as they are critical ingredients for social cohesion and peace. From this perspective, we generally agree that the WBG’s support for moving jobs to center stage should be designed, at best, with a view to supporting increases in household expenditure over time; contributing to faster productivity growth; contributing to inclusive growth and social cohesion, addressing post-conflict needs and thus minimizing the risks of future conflicts.

We look forward to the elaboration of the Discussion Note on Moving Jobs to Center Stage through concrete, analytical evidence-based research for the preparation of the World Development Report (WDR) 2013 with its focus on “obstacles to job creation”. We trust that “moving jobs to center stage” should not be merely another fad in the development process. We urge the WBG to ensure that the Report informs the process of facilitating the development of a framework that considers possible solutions to the
obstacles to job creation. This should be done with findings and lessons of the WDR 2011 on conflict, security and development in mind.

We welcome the indication that in preparing the WDR 2013 the WBG will consider the issues from an integrative perspective, within and across sectors as well as across countries inclusive of regional dimensions while maintaining country specificity. In this process, we urge the Bank to take a leading role in the promotion of public-private partnerships as well as foreign direct investments (FDIs) and support our countries in their efforts in this regard.

**Food Price Volatility**

We continue to face global food insecurity and increasing food price volatility. The key drivers, we note, relate to increasing demand, production shocks, and declining stocks. We are concerned that millions more people will fall into poverty globally, and in Africa, even food producing countries could see high import bills, reduced fiscal space, and unrest, amongst others.

We take note that the World Bank’s agriculture strategy intends to continue to focus on speedy provision of resources and advice in the short-run, through such investments as the Global Food Crisis Response Program (GFRP). However, we deem long-term interventions that focus on enhancement of agricultural productivity an imperative. In this regard, we welcome the Global Agriculture and Food Security Program (GAFSP) facility, especially its focus on providing support to improve farmers, particularly small holders, access to agricultural inputs and increasing investment in irrigation infrastructure.

We are pleased to note that targets have been set for IBRD/IDA lending to finance the Agricultural Action Plan. We hope that the financial resources together with the non-lending instruments, such as, Technical Assistance (TA), Economic and Sector Work (ESW), Analytical Research (AR) and the use of the Bank’s convening power are deployed timely. Furthermore, we believe that the Bank, beyond strengthening and collaborating within the Group, could also explore synergies with other international financial institutions and organizations, such as, the United Nations agencies and the Food and Agricultural Organization (FAO).

In view of the above, and given the importance of this matter for Africa and the rest of developing countries, we would support the Bank’s initiatives towards this end and to take our views and concerns to the G-20. We believe that the G-20 has a vital role to play in three key areas: (i) ensure sufficient investment in smallholders and women farmers, who are the foundation of rural communities’ food security and livelihoods, (ii) commit to political and material support for robust food reserve systems that promote and safeguard food security, while helping farmers manage price stability, and (iii) investments in research and extension services, especially in areas related to climate change to increase productivity and promote sustainable agricultural practices.

With regard to trade policy, we urge the Bank to accelerate the Doha Round favouring access to more markets by low income countries. In the same vein we call on the Bank to make the case on our behalf that developed countries should eliminate farm subsidies.

Further, we urge the WBG to remain committed to promoting South-South cooperation and knowledge exchange with a view to improve capacity building initiatives in agricultural productivity and agribusiness development.
We welcome the World Development Report (WDR) 2012, on gender equality and development. We believe the report is timely. It is also an important report as it is being increasingly recognized that eliminating gender-based discriminations and empowering women are absolute necessities for reducing poverty, accelerating socio-economic progress and advancing sustainable development.

We concur with the Report’s emphasis on the identified areas where gender gaps are most significant and where policy interventions can make a difference, namely, (i) reducing female mortality; (ii) closing education gaps and enhancing gender-based education; (iii) improving access to economic opportunities for women and reducing earnings and productivity gaps between men and women; and (iv) increasing women’s voice and opportunities to make effective choices in the household and in society. We urge the Bank to use its communication channels effectively in disseminating the findings of this report. In areas, where the report appears inconclusive, we recommend that the Bank makes a fresh investigation with a view to take appropriate policy measures that will have a significant development impact.

While it is noted that WBG is promoting gender equality through policy-focused research, lending and technical assistance, we are pleased that the Report underscores that more needs to be done differently. In this context, we agree with the following five major directions that should be pursued as outlined in the Report: (a) informing country policy dialogue on gender equality; (b) enhancing country-level gender diagnostics; (c) scaling up lending for what works to reduce gender gaps; (d) increasing the availability of gender-relevant data and evidence; and (e) leveraging partnerships, at global and country-levels, to help implement priority actions.

As we support the strategic directions proposed in the Report, we urge the WBG to do things differently by adapting existing instruments to changing country situations and coming up with new ones in response to emerging challenges in the area.

Above all, development cannot be realized without security and sustainable peace. Thus, as emphasized in the WDR 2011 during the last Spring Meetings, we call for an all-inclusive development strategy to ensure the realization of state for all, security for all, justice for all, jobs for all, and services for all.

**Need to Foster Innovation in Development Financing**

As we approach 2015, the target date for the Millennium Development Goals (MDGs), it is clear that these targets will not be achieved everywhere. What is apparent and of major concern to us is that Sub-Saharan Africa will be the most lagging continent. While we acknowledge the progress made, much more could have been done and should be done in the remaining period albeit short, as materialization of this outlook would be another opportunity wasted for Sub-Saharan Africa. Indeed, faster growth than before the crisis and in a sustainable and inclusive manner are required for the region to be able to unlock the potential of its internal market of close to a billion people and reduce poverty meaningfully.

With the global economy undergoing fundamental realignment in the aftermath of the financial crisis and Overseas Development Assistance facing a credibility issue on account of shortfalls in commitments, the architecture for development financing yearns for innovation. In this regard, we urge the Bank to urgently explore synergy opportunities on a grand scale with other international financial institutions and the private sector that will address demand for resources and partnership from our countries. Increased emphasis should be placed on; (i) innovative ways to fund transformative infrastructure to achieve scale economies, especially in the energy sector; (ii) ways to address the issues around agricultural productivity and deepen efforts to manage volatility; and, (iii) means to address the capacity limitations relating to institutions and personnel. In the process, the WBG should place particular emphasis on increasing its
focus on effectiveness, tangible results and sustainability over long-term perspectives within the specific areas of its core competence and comparative advantage.

Finally, with 2015 in sight, it is important to reflect on the post-MDGs, focusing on the current and emerging issues, not least, jobs, security, justice and gender mainstreaming which are outside and beyond the MDGs.

Conclusion

In conclusion, we reiterate the relevance of the agenda set for the Development Committee meeting. In our discussion of the agenda items we must be cognizant of the overarching view that economic growth that is not equitable, that is not broad-based, that does not create sustainable jobs, that does not provide more opportunities for women and the youths, has limited resilience and is therefore not sustainable. To this end, we urge that in operationalizing the proposals herein advanced, concerted efforts should be made to take these factors into consideration. Furthermore, we must ensure national ownership and that efficient and effective results-based mechanisms are developed and deployed.